“Climate Change as a Business Opportunity – Role of Financial Institution on Mitigation & Adaptation of Climate Change”

Jointly held by
Ministry of Environment Republic of Indonesia & UNEP FI supported by:
KfW Bankengruppe-Bank BNI-ADB
Bali, 6 December 2007

Parallel with The 13th Conference of the parties (COP 13) of
The United Nations Climate Change Conference in Bali, 1-17 December 2007
1. **Sharing experiences** among Financial Institutions in the region in financing investment for mitigations & adaptation Climate Change

2. Introducing a **business opportunity** for financial institutions on carbon markets in Asia

3. **Motivating UNEP FI signatories** in Asia Pacific & Regional branches of UNEP FI global signatories

4. **Raising awareness** of the importance of environmental & social risks & opportunities in the Financial Institutions among Non Signatories

5. Strengthening the **network** within the region
"The Role of Central Bank in Promoting Climate Change Investment"

Ms. Miranda Gultom
(Deputy Governor The Central Bank Indonesia)

&

Ministry of Environment Republic of Indonesia

Mr. Rachmat Witoelar
# Resource Persons

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<th>Ms. Laksmi Dhewanthi</th>
<th>Asst. Deputy Ministry of Environment - Republic of Indonesia</th>
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<td>Economic Magnitude &amp; Consequences of Climate Change</td>
<td>Dr. Mubariq Ahmad Ms. Fitrian Ardiansyah</td>
<td>CEO WWF Indonesia Program Director WWF Ind.</td>
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<td>Session 2</td>
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<td>Dr. Josef Leitmann</td>
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<td>Samuel Tumiwa</td>
<td>Senior Energy Specialist Regional &amp; Sustainable Development Dept</td>
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<td>Investment for FI</td>
<td>Amol Titus</td>
<td>Head Risk Analysis &amp; Sustainability HSBC</td>
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<tr>
<td>Mr. Nils Meyer</td>
<td>Climate Change Specialist, KfW</td>
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<tr>
<td>Ms. Aninditta Savitry</td>
<td>AVP Food &amp; Agribusiness Rabobank International Indonesia</td>
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<td>Mr. Takanori Satake</td>
<td>JBIC Indonesia</td>
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<tr>
<td>Erna Witoelar</td>
<td>UN Special Ambassador for MDGs in Asia Pacific</td>
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<td>Mr. Bien Subiantoro</td>
<td>Director of BNI</td>
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Attendants: 80 participants, consist of

5 Regional Development Banks, Bank Indonesia, BNI, Branch Officer of Private banks Bali Branch (Bank Niaga, Bank Ekspor Indonesia, Bank Mandiri Bank Bukopin BCA, Bank Danamon, Bank International Indonesia)
• Financial Institutions, especially banks will play an importantly significant role in encouraging an increase in investment flow & fund for mitigating & adapting to climate change.

• In fact, there are few banks in Indonesia, especially Foreign Banks, adopting the environmental considerations in their investment policies. This indicates that there is a lack of awareness & understanding of financial institutions, or the have difficulties in implementing these policies on the ground
However,

The Central Bank of Indonesia is prepared to have policies which support environment protection by encouraging banks to involve in investment for environment protection project and to fund activities such as Alternatives of Fossiel Fuel-Based Energy, Waste Recycle, Reforestation and Natural Resource protections.
• FINANCE SECTOR as other sectors within economy, shall proactively take responsibilities to contribute significantly to reduce environmental risks because of the various projects funded by financial institutions.

• Related to LENDING of projects which directly or indirectly have impacts to environment, banks are ased urgently to handle environmental risks to get a comprehensive assessment.
• Government & related Stakeholders need a joint, synergized action to continue increasing capacity, among others through informations, disseminations, standard setting, guideline development, training & education programmes

• Financing adaptation to climate change should be done using a holistic approach that can be integrated into current commitment & through improving commitment in financing & developing capacity to reach the Millenium Development Goals objectives such as schools, health clinics & others
• At present, the world is facing a serious threat of climate change. The availability of resources, technology, science & awareness development & commitment shall be integrated into principles of sustainable development, policies & programmes of countries to avoid the environmental resource loss as targeted by the MDGs.

• Efforts to involve all parties in overcoming climate change will be much linked to networking of the involved parties in mitigating & adapting to climate change as well as in achieving MDGs’ targets.
Follow Up

- Government Of Indonesia form **a National Board for Climate Change**: report directly to the President of Republic of Indonesia; consist of 10 government departments, NGOs, Bank to formulate the Policy Matrix to address the Climate Change.

- Held a one day seminar/ socialization on CLimate Change: Opportunity & Risk _ in Magelang City (Central Java) attended by 100 participant, consist of Regional Development Banks, Universities, Local Government, NGOs (June 2008)
Appreciate your attention

THANK YOU